Quarterly clean-up of inactive cost objects

Domain: Finance Data & Reporting

Responsibility area: Monitor Data Management Service Level Agreement

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Scope

WW

ERP

PF1 WP1

Frequency

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References

FC - Cost centers master data

FC - Orders master data

Forms

Attachments

Template CO Orders master data.xlsx

Template Cost Centers master data.xlsx

Template WBS master data.xlsx

<< Quarterly clean-up of inactive cost objects >>

1. Objective and Scope

1.1. Objective of this Operation

The purpose of this analysis is to reduce the number of cost objects that have not been used for 18 months that will lead to clear database, reduced risk of amounts allocated to obsolete CO objects, less chance of errors during month end close and less ad-hoc workload during peak periods.

1.2. Scope

This analysis is applied to all companies in WP1 & PF1.

Cost objects included in the scope:

- Cost centers
- WBS elements
- Internal Orders

2. Definitions

See Finance Glossary

3. Tasks description

3.1. I create the reference file with inactive cost objects

The file must be prepared and sent at the end of each quarters to all stakeholders. There is one sheet by cost object:

- Inactive cost centers
- Inactive WBS
- Inactive CO orders

3.1.1. I create the reference file with inactive cost centers

The aim is to create a file with the list of inactive cost centers.

> **Definition of an inactive cost center**
>
> An inactive cost center is a cost center created more than 18 months ago and which has not been used for 18 months

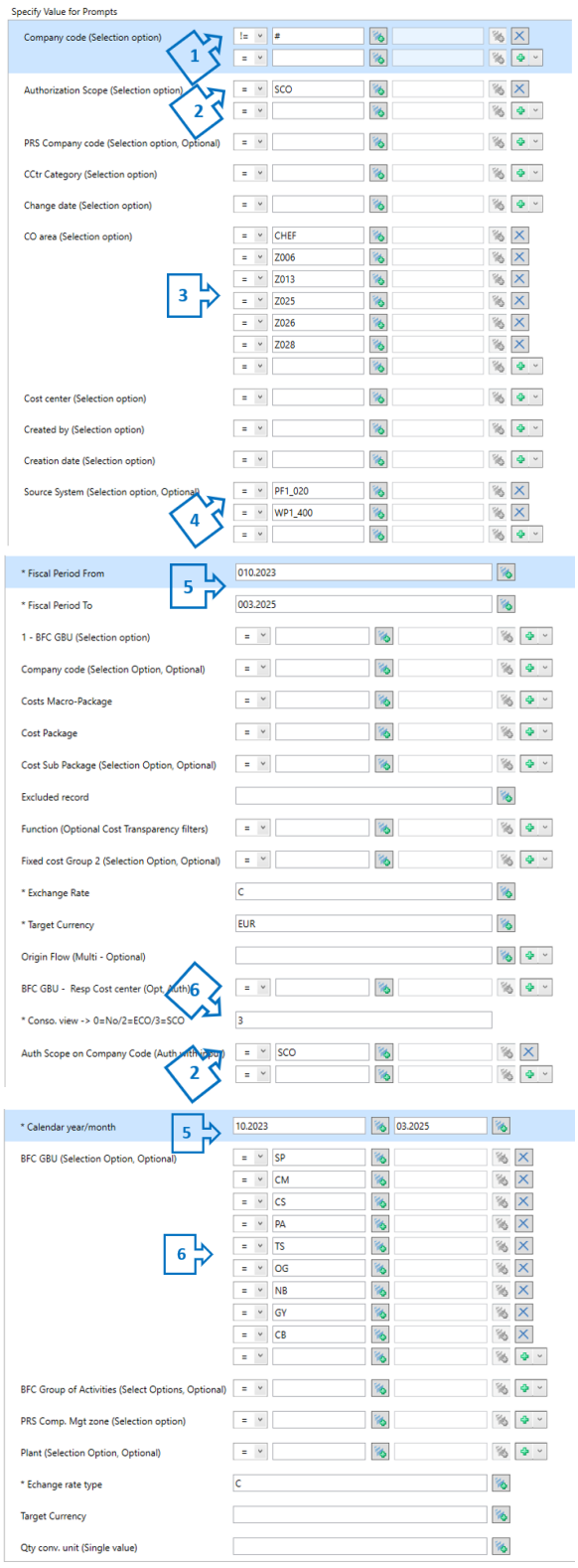
The file is created using the BW query FC - Cost centers master data

STEP 1

Download the workbook "Template Inactive Cost Centers" in this folder and update the prompt

1. Company code => confirm the exclusion "#"
2. Authorization Scope => confirm the scope of analysis - SCO
3. CO area => confirm the scope of analysis - CHEF, Z006, Z013, Z025, Z026 and Z028
4. Source System => confirm the scope of analysis - PF1_020 and WP1_400
5. Calendar year/month & Fiscal Year/Period => from M - 18M to M (ex: when the analysis is done in Q1.2025, the period of analysis is 10.2023 to 03.2025)
6. BFC GBU => confirm the scope of analysis - All GBU of Syensqo scope should be selected

Click **OK**



Confirm if these columns have the formulas until de end of the lines with cost centers and in all the sheets of the file.

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Sheet "inactive cost centers"

In the sheet blocked URL all the lines are with formulas (from A to T the data is coming from sheet "Fixed Costs (COPA recon)" and there are 5 columns from U to Z with the following formula output:

- CC in FC
  - 1 - the cost center has been used for the last 18 months (based on fixed costs report)
  - 0 - the cost center has not been used for the last 18 months (based on fixed costs report)
- CC in P&L
  - 1 - the cost center has been used for the last 18 months (based on fixed costs report)
  - 0 - the cost center has not been used for the last 18 months (based on fixed costs report)
- Additional use: to be updated manually as detailed below (step 2)
- Creation date:
  - 1 - the cost center has been created for less than 18 months
  - 0 - the cost center was created more than 18 months ago
- OKB9:
  - 1 - the cost center is included in the table OKB9
  - 0 - the cost center is not included in the table OKB9
- Active CC
  - Not active - CC in FC (1) and CC in P&L (2) and Additional use (3) and Creation date (4) and OKB9 (5) = 0
  - Active - all other cases (or CC in FC (1) or CC in P&L (2) or Additional use (3) or Creation date (4) or OKB9 (5) = 1

STEP 2

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Update the sheet "Additional use"

The automated analysis of inactive cost centers is based on the fixed costs query and the P&L query. (columns 1 & 2 in the sheet "Inactive Cost Centers")

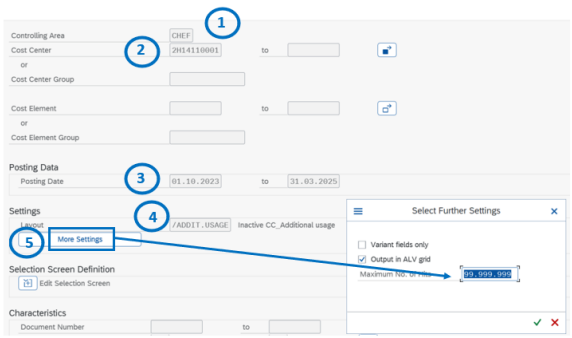
However it happens that in some cases the cost center is not in the fixed costs query or P&L query but for any reason it is still used. So a manual control should be done in order to make sure that all cost centers listed as "inactive" are really "inactive.

1. In the sheet "Inactive Cost Centers", filter cost centers with status "Not active" in column Z. (you can stop the automated calculation if needed)

2. Copy-paste de list of corresponding cost centers.

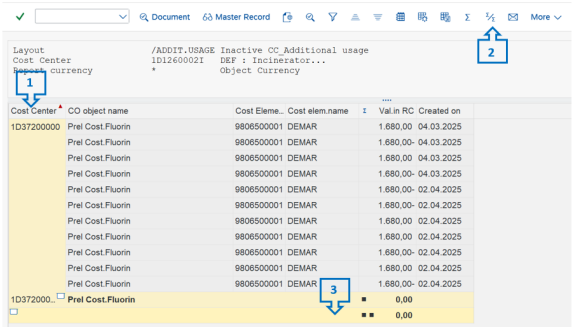
3. Open PF1 then WP1 and the transaction KSB1 and enter the following information in the prompt:

1. Enter the controlling area (CHEF for PF1 and Z006, Z013, Z025, Z026, Z028 for WP1)
2. Paste inactive cost centers of the corresponding controlling area
3. Enter the same period as in the BW workbook
4. Choose layout "/ADDIT.USAGE"
5. Click "More settings" and then enter "Maximum No. of Hits" = 99.999.999



Run the report

4. In the report output, the final layout should be ok and all the cost centers collapsed.



Nevertheless, if not please proceed as follows:

1. Select the column "Cost Center"
2. Click on the button "Subtotals"
3. Click on the dots at the button of the screen to collapse

5. Copy the list of cost centers and paste them in the sheet "Additional use"

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6. Repeat the task for all controlling areas.

STEP 3

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Prepare the file to be shared with all stakeholders

1. Keep cost centers "Not active" by filtering the column "Active CC" (last column of the file)
2. Copy-paste (value) the list of inactive cost centers (column A to T) in the sheet "Gsheet"

STEP 4

Make a copy of the file "SYENSQO - Template Inactive Cost Objects Qx.20YY" in this folder and rename it (where Qx.20YY is the quarter and the year that we are analyzing).

For example: . Move this file to this **folder** .

Copy-paste the file you prepared (sheet "Gsheet") in the new google sheet.

STEP 5

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The column U is updated automatically, with the plant costing contact maintained in the table .

However additional controls should be done, as in some cases there is no plant or a generic plant without responsible, maintained in the plant contact list.

=> Once the sheet is ready you can go to the next step and prepare the list with inactive WBS

3.1.2. I create the reference file with inactive WBS

The aim is to create a file with the list of inactive WBS.

> **Definition of an inactive WBS**
>
> An inactive WBS is a WBS created more than 18 months ago and which has not been used for 18 months

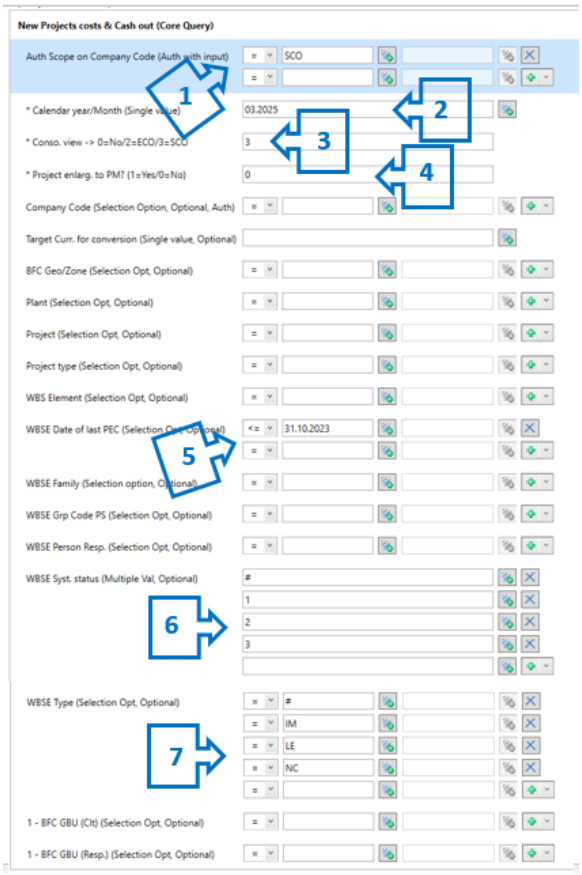
The file is created using the BW query **BW_QRY_MPR_PS014_0011**

STEP 1

Download the "Template WBS master data" in this folder and update the prompt

1. Confirm Auth Scope : SCO
2. Calendar year/Month : current period
3. Conso. view: 3
4. Project enlarg. to PM : 0
5. WBSE Date of last PEC : M - 18 months
6. WBSE Syst. status : #, 1, 2, 3
7. WBSE Type : #, IM, LE, NC

Click **OK**



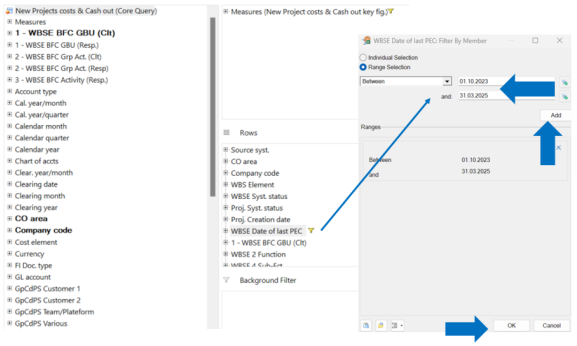
STEP 2

Exclude WBS that were created for less than 18 months.

Update the filter "WBSE Date of last PEC" with the same date that was entered in the prompt (point 5). In our example (Q1.2025) the filter will be between 01.10.2023 to 31.03.2025.

After adding the new range, eliminate the existing one.

Click **OK**



STEP 3

Check that the WBS doesn't have the status LOCK using the transaction CN43N - Project info System. Enter the list of WBS and filter status **LKD**

Remove orders with the status LKD of the file.

Confirm if these columns have the formulas until de end of the lines with cost centers and in all the sheets of the file.

Sheet "inactive cost centers"

In the sheet blocked URL all the lines are with formulas (from A to V the data is coming from sheet "New Projects cost & Cash out".

STEP 4

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Prepare the file to be shared with all stakeholders

1. Copy-paste (value) the list of inactive cost centers (column A to T) in the sheet "Gsheet"

STEP 5

Copy-paste the file you prepared (sheet "Gsheet") in the new google sheet.

=> Once the sheet is ready you can go to the next step and prepare the list with inactive CO orders

3.1.2. I create the reference file with inactive CO orders

The aim is to create a file with the list of inactive internal orders.

An inactive Internal order is a Internal order created more than 18 months ago and which has not been used for 18 months

Order types in the scope

Orders in the scope depend on the order type:

- PF1 - orders Y*
- WP1 - ZORD, Y997, Y998 and Y999

The file is created using the BW query **FC- CO Orders master data**

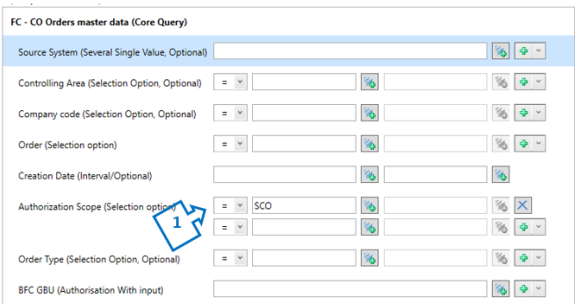
Order Status

Order status = **CLSD** are excluded from the report.

STEP 1

Download the workbook "Template CO Orders master data" in this folder and update the prompt .

1. Authorization Scope => confirm the scope of analysis - SCO



Click **OK**

STEP 2

blocked URL

Confirm if these columns have the formulas until de end of the lines with cost centers and in all the sheets of the file.

Sheet "Inactive CO Orders"

In the sheet blocked URL all the lines are with formulas (from A to W the data is coming from sheet "FC - CO Orders master data)" and there are 3 columns from X to Z with the following formula output:

- Creation date:
  - 1 - the CO order has been created for less than 18 months
  - 0 - the CO order was created more than 18 months ago
- Last used
  - 1 - the CO order has been used for the last 18 months (based on fixed costs report)
  - 0 - the CO order has not been used for the last 18 months (based on fixed costs report)
- Active CO Order
  - Not active - Creation date (1) and Last used (2) = 0
  - Active - all other cases (or Creation date (1) or Last used (2) = 1

STEP 3

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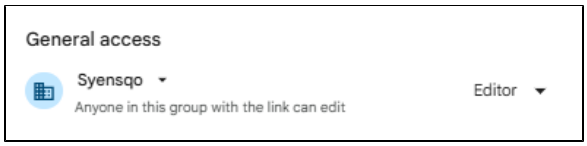
1. In the sheet "Inactive CO Orders", filter CO orders with status "Not active" in column Z. (you can stop the automated calculation if needed)

2. Copy-paste (value) the list of Inactive CO Orders (column A to W) in the sheet "Gsheet"

STEP 4

Copy-paste the file you prepared (sheet "Gsheet") in the new google sheet.

When file is ready, open it to SYENSQO



3.2. I prepare the communication to be sent to all users

Prepare the communication using this template

3.3. I Follow the cleansing

3.3.1. I answer the questions and be pro-active in getting answers

I provide support for any questions I get. If I feel the need to organize a Q&A call, I do so.

I analyze answers expected and ask directly by chat main contributors (80/20 approach) to act.

3.3.2. I provide progress status

at Template, tab 'do not use : chart'

I share with the CC responsible list the progress made during the feedback collection. Ideally, I send 2 progress status : one after 3/4 days and another after 1 week.

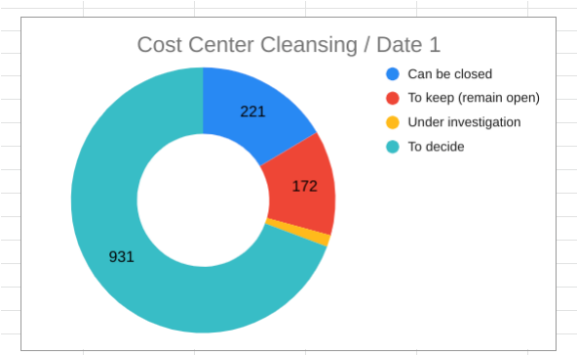
I use the tab 'do not use : chart' to produce the progress chart. I fill manually the figures of each relevant category that I count on the main tab to get the chart.

I send encouraging communication highlighting the progress and reminding the deadline, such as :

'I would like to thank you again for your involvement. You reviewed more than *xxx* cost centers!

We will start to process the decisions taken on reviewed cost centers and when needed to process additional checks. At the same time, we remind you our objective to close the review by end of *xxxxxx* .

Cost centers without feedback will be closed, knowing we have an easy process to re-open if necessary'



3.4. I Close the process

3.4.1 I do security checks

I secure that cost centers to close are not having asset or HR impact.

I use columns related to SU MAC follow-up to report issues and progress.

NB : PO impact are ignored

3.4.2 I close cost centers

I close cost centers that can be closed.

I use columns related to SU MAC follow-up to report issues and progress.

3.4.3 I send a final report

I share with the CC responsible a final report

I use the tab 'do not use : chart' to produce the final chart. I fill manually the figures of each relevant category that I count on the main tab.

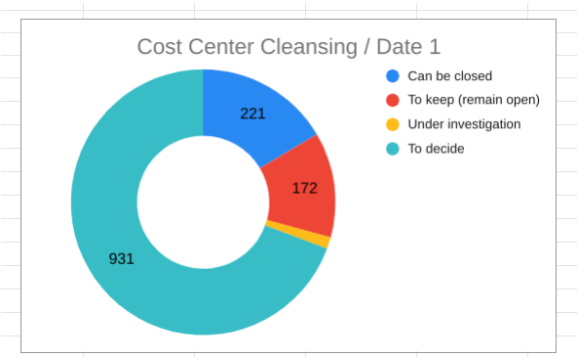
I send clear communication highlighting the progress and reminding the deadline, such as :

'I would like to thank you again for your involvement. You reviewed more than *xxx* cost centers!

Almost all decisions have been processed while necessary checks have been performed. The few leftovers will be processed lately.

See you next quarter to continue to keep the bar high on active cost centers.'

3.4.4 I store reference file

I store reference file in the quality drive

at Template, tab 'do not use : chart'